# OURNAL

May 2002

### Spill underway

This year's hydro operations for salmon migration are well underway with water spilling through dams on the Columbia and Snake Rivers. Spill is one way federal hydro operators help migrating juvenile fish get safely past dams. By diverting fish-laden water through spillways, the young salmon move downstream without

passing through dam turbines.

Bonneville, The Dalles, John Day and Ice Harbor dams will spill daily now through August. The amount and hours of spill vary by project and by day. Other U.S. Army Corps of Engineers dams on the mainstem Columbia and Snake rivers are also



involved in the spill program, but not every day.

Right now, the Corps is trying to manage the river in three dimensions:

- 1. Spill requirements (spill more at specific dams),
- 2. Flood control requirements (draw water from other dams) and
- 3. The danger to fish from nitrogen saturation in the water if spill gets too high.

Hydro operators and fish agency representatives meet weekly through the spill season to adjust and balance the river system for all its multiple uses. Minutes of their meetings are posted at Website: http://www.nwd-wc.usace.army.mil/tmt/agendas/2002

### **New White Book shows bigger deficits**

For the first time since 1999, BPA has updated the data in its premier long-term power supply analysis, the *Pacific Northwest Loads and Resources Study*, commonly called the "White Book." And what it shows is a bigger gap between expected power needs and available supply than the last iteration. The analysis does not assume new

federal power purchases and is based on critical water conditions.

Both the region as a whole and BPA, specifically, show up as short under the critical water scenario. Under average water conditions, for the next five years, the federal system is shown in load and resources balance and the region has

deficits of up to 1,000 average megawatts.

The forecast is based on data submitted by individual utilities to BPA. It provides a snapshot of BPA's loads and resources through September 2001 and for the rest of the region through December 2000.

Utilities throughout the Northwest rely on the White Book as a key source for forecasting regional power supplies.

Printed copies of the summary document (DOE/BP-3392) can be obtained from BPA's Public Information Center, 1-800-622-4520. The electronic version is posted at: http://www.bpa.gov/power/pgp/whitebook/2000/index.shtml



### **Environmental reviews everywhere**

In towns from Clatskanie, Ore., to Kalispell, Mont., BPA is gathering crowds to talk about everything from streambed restoration to combined-cycle combustion turbines. The agency is in the middle of more environmental reviews than ever, for projects such as: "Plymouth Generation Facility," "Maiden Wind Farm" and "Northeast Oregon Hatchery - Grande Ronde and Imnaha Spring Chinook" and "McNary-John Day Transmission Line Project."

At the moment, BPA is actively reviewing over 20 projects that require environmental assessments or environmental impact statements. Many of these would provide transmission to integrate proposed wind farms and combustion turbines into the BPA grid. BPA also is reviewing its own main-grid transmission reinforcements to improve system reliability, and to meet expected economic growth and deregulated market demands.

Improving BPA's transmission system helps deal with power supply issues raised in The White Book (see above). Upgraded lines improve system reliability and increase capacity to carry more megawatts, which moves Columbia River power more efficiently and allows space for the megawatts from proposed new gas-fired and wind-driven generators.

For environmental impact statements, there are two major opportunities for public comments. At the beginning of a project, the public is invited to identify issues and suggest alternatives to consider in the EIS. Later, BPA invites public review and comment on a draft EIS. BPA mails information directly to local residents and interested parties. For details of environmental studies see the public involvement section of this *Journal*.

### What happens after 2006?

Northwest public power and investor-owned utilities have been talking among themselves for some months about what power supply they'd

like to see from BPA after 2006. They've presented a discussion draft, which they say they'll share with BPA's direct-service industrial customers and with Northwest conservation, tribal and environmental interests.

"We appreciate the customers' efforts to reach mutual agreement and will take a good, hard look at their concepts," said BPA Administrator Steve Wright. He emphasized, "This, as well as any other proposals, will go through an extensive public process before any decisions are made."

This spring, BPA staff are working to develop a better understanding of the concepts the customers have outlined. Staff will respond with an initial assessment of how the customers' ideas fit within existing law. If analysis shows that the customers' concepts might work without requiring new legislation, BPA then would initiate a public process followed by a formal decision on this proposal and any others advanced by other parties.

"BPA's primary goal is to retain the benefit of the Federal Columbia River Power System for the Pacific Northwest," said Paul Norman, BPA power business line vice president.

### **Refinancing succeeds**

BPA and Energy Northwest have sold \$301 million in refinancing bonds for BPA-backed nuclear plants. This, together with previous refinancings, frees up \$262 million in capital this year to repay higher-cost Treasury debt early. Repaying Treasury early also creates more room within BPA's existing borrowing authority to finance new capital projects such as various transmission system upgrades.

The true interest cost of the refinancing was 5.4 percent. Coupled with using freed-up capital to repay higher-cost Treasury debt early, the refinancing gives BPA a present value gain of about \$23 million. The maturity date for the debt was extended from this year to 2016-2018, consistent with BPA's capital management program.

## PUBLIC INVOLVEMENT

#### **STATUS REPORTS**

#### Cliffs Energy Project ROD - Klickitat Co., Wash.

BPA is analyzing whether to provide transmission integration services for a combustion turbine proposed by GNA Energy, LLC. The company would build the power plant, five miles of new natural gas line, and 700 feet of 230-kV transmission line to BPAs Harvalum Substation. Klickitat County issued a Mitigated Determination of Non-Significance in May 2001. A change in the project may require a supplement analysis and further public comment.

**COB** Energy Facility Interconnect EIS – Klamath Co., Ore. Peoples Energy Resources Corp. has requested interconnection of its proposed 1,200-MW combustion turbine project at a site near Bonanza in Klamath Co., Ore. The project would require a new 500-kV transmission line to BPAs Captain Jack Substation. The project is subject to Oregon Energy Facility Siting Council

### Federal Columbia River Power System Implementation Plan - Regionwide

This federal draft plan for Columbia River Power System Operations in 2002-2006 would carry out biological opinions issued under the Endangered Species Act. *See* 

www.salmonrecovery.gov.

certification. Scoping has closed.

Fish and Wildlife Implementation Plan EIS - Regionwide

This EIS examines potential impacts of implementing any of the fish and wildlife policy directions being considered in regional processes. BPA received public comments on the draft EIS in summer 2001 (#0312); the final EIS is expected later this year.

### Grand Coulee-Bell 500-kV Transmission Line (Eastern Washington Reinforcement) EIS – Wash.

This project would replace about 84 miles of 115-kV transmission line with a new, higher capacity 500-kV line. The proposed line would connect BPA's Bell Substation in Spokane to the Bureau of Reclamation's switchyard at Grand Coulee Dam. It would be located primarily on BPA existing right-of way. Scoping closed Feb. 15.

### Grande Ronde and Imnaha Spring Chinook Project EIS – Wallowa and Union Cos., Ore.

This project would build fish trapping, rearing and release facilities to help restore spring chinook in the Lostine and Imnaha rivers of northeast Oregon. Planned facilities would modify and supplement existing Lower Snake River Compensation Plan facilities. Scoping comments closed Jan. 31, 2002. A summary of the comments is available on request. Or see <a href="https://www.efw.bpa.gov/cgibin/psa/nepa/summaries/granderonde">www.efw.bpa.gov/cgibin/psa/nepa/summaries/granderonde</a>. A draft EIS will be available for comment later this year.

#### Grizzly Generation Project EIS, Jefferson Co. - Ore.

Cogentrix proposes to build a 980-MW combined-cycle combustion turbine power plant and has requested interconnection at BPA's Grizzly Substation. An EIS will evaluate natural gas, water pipeline and transmission easements for facilities servicing the project. The U.S. Forest Service is the lead federal agency; BPA and the Bureau of Land Management are cooperating. Oregon EFSC is conducting a coordinated state siting process. Scoping closed in March.

Horse Heaven Wind Project EIS, Benton Co. - Wash.

BPA proposes to purchase up to 50 aMW from a 225-MW wind project proposed by Washington Winds Inc. The developer would build, own and operate the project and would build about 12 miles of transmission line to interconnect with BPA's transmission grid. Public comments were taken through Nov. 14, 2001.

#### Johnson Creek Artificial Propagation Enhancement EA, Valley Co. – Idaho

This project seeks to recover the creek's depleted native summer chinook salmon population. It would include additional facilities at the McCall Fish Hatchery in McCall, Idaho, and acclimation facilities along Johnson Creek. Scoping concluded March 30, 2001. An EA will be available for public comment in fall 2002.

### Kangley-Echo Lake Transmission Line Project EIS – King Co., Wash.

BPA proposes to build a 500-kV transmission line to connect an existing transmission line near Kangley to Echo Lake Substation. BPA's preferred alternative would run parallel to its existing Raver-Echo Lake 500-kV line. The project is needed to improve transmission system reliability and to meet requirements of the Columbia River Treaty with Canada. The comment period on the draft EIS (#0317) closed Sept. 4, 2001.

#### Maiden Wind Farm EIS - Benton and Yakima Cos., Wash.

Washington Winds Inc., proposes to build and operate a wind project of up to 494 MW north of Prosser. BPA proposes to acquire and transmit up to 50 aMW, but will study the full electrical output of the project. The draft EIS is available. See <a href="https://www.efw.bpa.gov/cgi-bin/">www.efw.bpa.gov/cgi-bin/</a> PSA/NEPA/SUMMARIES/
MaidenWindFarm.

### McNary-John Day 500-kV Line Project EIS – McNary to John Day Dams, Ore. and Wash.

BPA proposes to build about 79 miles of new 500-kV transmission line parallel to existing BPA lines between McNary and John Day Substations. The line would cross the Columbia River below McNary Dam, run parallel to the north side of the Columbia through Benton and Klickitat counties, and cross back into Oregon near John Day Dam. It is needed to integrate some of the many new generating projects considered for this area and to reinforce transmission reliability. Scoping closed on June 7, 2001. The draft EIS is available.

#### Mercer Ranch Generation Project EIS - Benton Co., Wash.

Washington EFSEC is conducting an environmental review of an 800-MW combined-cycle combustion turbine power plant proposed by Mercer Ranch Power, LLC, 11 miles west of Paterson, Wash. BPA would be required to build and operate a switchyard that would interconnect to the transmission grid. The project proponent has stopped all work on the environmental review of this project and it is indefinitely on hold. System studies will continue. See <a href="http://www.efsec.wa.gov/mercer.html">http://www.efsec.wa.gov/mercer.html</a>.

### Plymouth Generating Facility EIS – Benton Co., Wash.

Plymouth Energy has requested interconnection of its proposed 306-MW combustion turbine project near Plymouth in Benton, Co., Wash. BPA is preparing a joint NEPA/SEPA EIS with Benton Co. Scoping is under way.

### Raymond-Cosmopolis 115-kV Transmission Line EA – Grays Harbor and Pacific Cos., Wash.

BPA proposes to rebuild an existing 115-kV transmission line between Raymond and Cosmopolis, roughly parallel to Hwy 101. Most of the 18-mile long line will remain in existing right-of-way. Scoping is underway. A preliminary EA will be available for public review in fall 2002.

### Salmon Creek EIS - Okanogan Co., Wash.

BPA proposes to fund a project to enhance fish habitat in 4.3 miles of lower Salmon Creek, a tributary of the Okanogan River. The project would rehabilitate the stream channel, revegetate stream banks and increase streamflows. Scoping closed in March.

### MORE PUBLIC INVOLVEMENT

### Satsop Combustion Turbine ROD – Grays Harbor County, Wash.

Duke Energy requests integration of its 650-MW Satsop Combustion Turbine project near Elma, Wash. into the federal transmission grid. To supply natural gas to the facility, Williams Gas Pipeline proposes to construct a new gas pipeline. The Federal Energy Regulatory Commission is conducting an EA on the proposed gas pipeline. After FERC completes its EA on the gas pipeline, BPA can issue a ROD on the transmission interconnection, expected this spring.

### Schultz-Hanford Area 500-kV Line Project EIS – near Ellensburg to near the Hanford Reservation, Wash.

BPA proposes to build a new 500-kV line from Schultz Substation to a new or existing substation near the Hanford Nuclear Reservation. The project would relieve constraints on several lines, provide more operational flexibility to meet endangered salmon obligations and maintain transmission capacity to import and export energy Comments on the draft EIS closed in March. See <a href="https://www.efw.bpa.gov">www.efw.bpa.gov</a> under environmental planning/analysis.

#### South Fork Flathead Watershed Cutthroat Trout Conservation Program – Flathead National Forest, Mont.

BPA proposes to fund a project to remove exotic trout species from selected lakes in the South and Middle forks of the Flathead drainage and replace them with genetically pure westslope cutthroat trout. A preliminary EA is expected to be available in spring 2002. Previously, this project was known as the Mountain Lakes Trout Restoration Project EA.

### Starbuck Power Project EIS - Columbia & Walla Walla Cos., Wash.

BPA proposes to build about 16 miles of 500-kV transmission line to integrate the proposed 1,200-MW Starbuck combined-cycle combustion turbine to Lower Monumental Substation into the grid. Existing lines are near capacity. Washington EFSEC is the lead agency for environmental review of the generation project; BPA has the lead on integrating transmission. The project has been suspended for six months. See <a href="https://www.efsec.wa.gov/starbuck.html">www.efsec.wa.gov/starbuck.html</a>.

### Summit Westward EIS - Columbia Co., Ore.

Westward Energy Company proposes a 520-MW natural gas-fired, combustion turbine facility in Columbia County near Clatskanie, Ore., and has requested interconnection to the federal grid. Oregon EFSC is the lead agency for the environmental review of the generation project; BPA has the lead on integrating transmission.

#### Umatilla Generating Project EIS - Umatilla Co., Ore.

Umatilla Generating Co., LP, proposes to build a 550-MW combined-cycle combustion turbine. Umatilla Electric Cooperative would reconductor about 11 miles of transmission to 230 kV, and build about a half mile of new 230-kV line to BPA's McNary Substation, where BPA would integrate the power into the grid. The draft EIS comment period ended Oct. 15. A final EIS is available. See <a href="https://www.efw.bpa.gov/cgi-bin/PSA/NEPA/summaries/Umatilla">www.efw.bpa.gov/cgi-bin/PSA/NEPA/summaries/Umatilla</a>

### Wallula-McNary Transmission Line Project EIS – Walla Walla Co., Wash., and Umatilla Co., Ore.

BPA proposes to build 34 miles of 500-kV transmission line from a 1,300 MW combined-cycle gas-fired combustion turbine proposed by Wallula Generation, LLC in Wallula, Wash., to McNary Substation in Oregon. BPA also proposes to construct and operate the Smiths Harbor Switchyard to interconnect the output into the transmission grid. BPA is working with Washington. EFSEC on environmental review. A DEIS was released to the public on Feb. 22, 2002. Public meetings were held on March 13 in Burbank, Wash., and March 14 in McNary, Ore. Comments on the proposal were accepted until April 11. See <a href="https://www.efsec.wa.gov/wallula.html">www.efsec.wa.gov/wallula.html</a>.

### Wanapa Energy Center Generation Proj. EIS – Umatilla Co.

The Confederated Tribes of the Umatilla Indian Reservation have requested interconnection of the Wanapa Energy Center, a proposed 1,000-MW gas-fired combined-cycle combustion turbine project, into the transmission grid. The project would be located on tribal trust land. The Bureau of Indian Affairs plans to prepare an EIS on the project and BPA has requested to be a cooperating agency. BIA held public meetings in October and November. A draft EIS is expected spring 2002.

### **SUPPLEMENT ANALYSES**

### **Vegetation Management EIS**

Along Marion-Alvey #1. Eugene, Ore. (SA-27)

#### Watershed Management EIS

Methow River Fish Screen Project. Okanogan Co., Wash.

#### Wildlife Management Program EIS

Camas Prairie Acquisition, Anderson Ranch Dam Phase II. Camas and Elmore counties, Idaho (SA-20) Avian Predation on Juvenile Salmonids in the Lower Columbia River Research Project EA Continued Research (SA-01)

#### CALENDAR OF EVENTS

### **M** CLOSE OF COMMENT

Maiden Wind Farm – Benton and Yakima Cos., Wash., Draft EIS. May 15.

Raymond-Cosmopolis 115-kV Transmission Line EA - Grays Harbor and Pacific Cos., Wash. Scoping. May 10.

If you have questions or comments, or to be added to the mailing list for any project, call (503) 230-3478 (Portland) or 1-800-622-4519.

Indicates the close of comment deadline. Indicates a public meeting is scheduled. Indicates a document is available. To order copies of documents, call: 1-800-622-4520 or (503) 230-7334. Written comments may be sent to: BPA, P.O. Box 12999, Portland, OR 97212. E-mail address: comment@BPA.gov. BPA home page: http://www.bpa.gov. For details on BPA environmental reviews listed above, including site maps and documents issued to date, see http://www.efw.bpa.gov/cgi-bin/PSA/NEPA/Projects. Process Abbreviations: DEIS-Draft Environmental Impact Statement, EA-Environmental Assessment, EFSEC-Energy Facility Site Evaluation Committee, EIS-Environmental Impact Statement, FONSI-Finding of No Significant Impact, NOI-Notice of Intent, ROD-Record of Decision, SA-Supplement Analysis.



